

PRESS RELEASE

HAFSLUND GROUP (HNA) RESULT 3 QUARTER 2001

(Comparable figures for the second quarter 2000 in brackets).

Results for the third quarter 2001

The operating profit for the Hafslund group in the third quarter amounted to NOK 67 million (NOK 98 million). Basic operations in the third quarter are positive, with continued high attained power prices and a high generation volume from generation activities in Norway. However, the result is weakened by a negative contribution from the power trading activities in Norway and the USA.

Income before taxes in the third quarter was NOK -180 million (NOK 44 million). Income after taxes was NOK -140 million (NOK 25 million) for this period, corresponding to earnings per share of NOK -1.24 (NOK 0.20). This reflects good results from the group's core activities, but a negative return from the financial marketable securities portfolio of -32% (NOK -217 million) diminishes the result when compared with that of last year.

CONSOLIDATED INCOME STATEMENT - AT 3. QUARTER

NOK mill.	Q3 00*	Q3 01	Per Q3 00*	Per Q3 01	2000*
Operating revenues	289	283	705	871	1 048
Operating expenses	145	194	391	643	558
Depreciation	46	22	83	59	124
Operating profit	98	67	231	169	367
Financial items incl. associated companies	-54	-247	234	-311	201
Income sale regional grid	-	-	-	413	-
Income before taxes	44	-180	465	271	568
Taxes	-20	40	-148	-180	-184
Periods income after taxes	25	-140	317	91	384
Profit/loss attributable to minority interests	2	3	5	3	12
Profit/loss attributable to majority interests	23	-143	312	88	372
Earnings per share	0,20	-1,24	2,70	0,76	3,22
No. of shares (in 1.000) used in compute. of EPS	115 463	115 463	115 463	115 463	115 463

CONSOLIDATED BALANCE SHEET

NOK mill.	30.09.00*	30.09.01	31.12.00*
Intangible assets	1 668	1 852	1 588
Fixed assets	1 047	1 086	1 089
Financial assets	3 863	3 840	3 798
Current assets	1 952	1 387	2 350
Total assets	8 530	8 165	8 825
Shareholders equity	3 203	2 839	3 060
Provisions for liabilities and charges	206	237	216
Long-term liabilities	3 090	3 699	3 449
Short-term liabilities	2 032	1 390	2 101
Total shareholder equity and liabilities	8 530	8 165	8 825

* Proforma figures where accounting effect of sold grid activities has been included

Hafslund Generation

Hafslund's generation activities in the third quarter had an operating profit of NOK 101 million (NOK 48 million). Total power generation in this period was 999 GWh (917 GWh). The operating profit shows continued good earnings in Norway resulting from higher power prices and a high generation volume.

Operating profit for the generation activities in Norway in the third quarter was NOK 91 million (NOK 45 million). The achieved sales price was 13.3 øre/kWh, compared with an average spot price of 17.3 øre/kWh. Own power generation was 948 GWh (878 GWh), which is 16% higher than the normal level. This involves a positive price variance of NOK 40 million and a positive volume variance of NOK 9 million compared with the same period in 2000. In the fourth quarter it is expected that attained sales prices will approach the spot price for the period.

Operating profit for the generation activities in the USA in the third quarter was NOK 10 million (NOK 3 million). The period was affected by low hydro-electric power generation (84% of normal). The year 2001 will probably be registered as the driest year since records began in the 1890s.

Hafslund Power Trading

Operating profit for Hafslund's total power trading activities in the third quarter was NOK -20 million (NOK 82 million), divided between Power Trading Norway with NOK -11 million (NOK 5 million) and Power Trading USA with NOK -9 million (NOK 77 million). The power trading business in the USA has been terminated and power positions have been closed. Estimated winding-up costs of USD 1.5 million will be included in the accounts for the fourth quarter.

Hafslund Invest

Hafslund Invest had a total accounting result from investments in the third quarter of NOK -209 million (NOK 85 million).

For the first nine months of the year, Hafslund's financial marketable securities portfolio had a return of -34.1%, compared with the Oslo Stock Exchange total index of -26.2%. The accounting result was NOK -188 million, and book value of the portfolio was NOK 602 million including an unrealized loss of NOK 182 million. Unrealized loss has been reduced with approximately NOK 100 million as of november 16.

Other business areas

Other business areas, which include corporate staff, investment activities and Hafslund Security, had an operating result in the third quarter of NOK -17 million (NOK -32 million). The group's investment in the alarm and security sector, Hafslund Security, has been consolidated from the third quarter. The result in the third quarter is almost in balance after goodwill depreciation of NOK 2.4 million. The growth in the alarm and security sector is good, and the number of assignments is increasing.

Minority investments in the power sector

Hafslund has total investments of NOK 2,627 million in downstream activities in the power sector, of which the investment in Viken Energinett amounts to NOK 1,888 million. An operating result from associated companies of NOK 25 million has been incorporated in the third quarter, and includes depreciation for goodwill of NOK 7 million.

BUSINESS SEGMENTS

NOK mill.	Q3 00*	Q3 01	Per Q3 00*	Per Q3 01	2000*
Hafslund Produksjon (Generation)	135	163	404	457	621
Hafslund Krafthandel (Power Trading)	138	-4	258	-	327
Hafslund Kraftomsetning (End-User)	-	84	-	346	-
Other business areas	16	40	44	68	100
Operating revenues	289	283	705	871	1 048
Hafslund Produksjon (Generation)	48	101	173	269	304
Hafslund Krafthandel (Power Trading)	82	-20	141	-42	185
Hafslund Kraftomsetning (End-User)	-	3	-	-8	-
Other business areas	-32	-17	-84	-50	-122
Operating profit	97	67	230	169	366

* Proforma figures where accounting effect of sold grid activities has been included

Important transactions

• Merger of Hafslund and Viken Energinett

On 2 November, the Boards of Hafslund and Viken Energinett approved the merger plan for the merger between Viken Energinett and Hafslund's wholly-owned subsidiary Hafslund Nett Holding AS. The merger plan will be submitted to the companies' general meetings for approval in December. Reference is made to the prospectus sent to the shareholders and to the company's Internet pages where the complete prospectus can be accessed.

• Agreed purchase of Oslo Energi / Vattenfall Norge

Hafslund ASA entered a final agreement with Vattenfall AB (publ.) on the purchase of all the shares in Vattenfall Norge AS. Vattenfall Norge owns 100% of Oslo Energi AS, which has a total of approximately 345,000 end-user customers in the power market. The implementation of the agreement is conditional on support from Hafslund's general meeting which is expected to be held in December.

• Majority owner in Tindra

On 14 November, Hafslund's Board approved the entering of a final agreement with Akershus Energi on the acquisition of 29% of Tindra Energi AS for approximately NOK 264 million. Hafslund already owned 36.6% of Tindra, and with this purchase will own 65.6% of the company. An agreement has also been made with Energiselskapet Buskerud where a right to sell has been granted and a right to buy Energiselskapet Buskerud's shares in Tindra during 2002 granted to Hafslund. At the same time, Viken Energinett entered an agreement on the purchase of the remaining ownership interest in Akershus Nett Holding/ Østnett from Akershus Energi.

• Judgement of the Oslo City Court

On 19 November, Oslo City Court pronounced judgement in the case concerning the price to be paid for Hafslund's perpetual obligation to supply an annual volume of 175.2 GWh to Oslo Lysverker (a wholly-owned subsidiary of E-CO Energi AS). The judgement entails that the price linked to the perpetual power delivery shall be 12.55 øre/kWh as of 1 January 2001, and that it shall then be adjusted annually in accordance with changes in the consumer price index. Oslo Lysverker shall pay an additional amount of approximately NOK 38.0 million to Hafslund, including interest for the period from 1 January 1997 to 1 November 2001. The deadline for appeal is one month from the pronouncement of the judgement.

Balance sheet as of 30 September 2001

Net interest-bearing debt as of 30 September 2001 was NOK 3,869 million, a reduction of NOK 356 million from the turn of the year.

Hafslund's share capital is NOK 115,463,420, divided into 68,290,861 class A shares and 47,172,559 B shares of NOK 1. The price on the Oslo Stock Exchange as of 30 September 2001 was NOK 33.00 for class A shares and NOK 27.00 for B shares. Hafslund has 4,466,787 of its own B shares. The total cost price for this holding is NOK 122.0 million.

The group's results report for second quarter 2001 is available at the company's head office in Karenslyst Alle 11, at the Oslo Stock Exchange and on the Internet address: <http://www.huginonline.com/Norway/HNA/>

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Oslo, 23 November 2001

HAFSLUND ASA